(c) whether commercial production of oil has commenced; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE Oi THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI CHANDRA SHEKHAR SINGH); (a) Two wells in Thanjavur District.

(b) It is high quality light oil;

(c) Trial production from Narimanam has since commenced through Early Production System.

(d) Does not arise.

Closing down of coal mines

786. SHRI SURAJ PRASAD:

SHRI GURUDAS DAS GUPTA;

Will the Minister of ENERGY be pleased to state:

(a) whether it is a fact that the Expert panel on the Eastern Coalfields Limited (ECL) has suggested closing down of at least 25 mines under the company;

(b) if so, the details and the reasons therefor; and

(c) Government's decision thereon?

THE MINISTER OF ENERGY (SHRI VASANT SATHE): (a) to (c) A Committee under the Chairmanship of Shri K. S. R. Chari, Consultant' and former Secretary, Department of Coal was appointed in April, 1985 to make, an indepth study of the working of the Eastern Coalfields Limited with a view to identifying the various problems plaguing the Company and finding out remedial steps/measures to be undertaken to get over these problems in order to enable the Company to achieve its main objectives of scientific development of coal reserves in its jurisdiction, increasing coal production and implementing other schemes for development and welfare. The Committee has submitted its report in November, 1985 which is under examination.

Price rise of coal

787. SHRI SURAJ PRASAD:

SHRI GURUDAS DAS GUPTA:

Will the Minister of ENERGY be pleased to state:

(a) whether it is a fact that the prices of coal have been raised by over 14 per cent recently; and

(b) if so, what are the details and reasons therefor?

THE MINISTER OF ENERGY (SHRI VASANT SATHE): (a) and (b) Coal prices fixed w.e.f. 8-1-1984 on the recommendations of Bureau of Industrial Costs and Prices, were due for revision w.e.f. 1-4-1985. Since then, there has been significant increase in the cost of production of coal on account of escalation in the cost of inputs such as stores, explosives, timber etc., increase in wages due to rise in the ceiling for grant of *bonus/ex-gratia,* revision of rate of Industrial D.A., increase in underground allowance etc.(increase in the price of petrol, oil and lubricant (POL), increase in Railway freight/ fare, higher incidence of depreciation and interest charges etc.

Coal India Ltd., therefore, requested for upward revision of coal prices and the same was considered by Government and the prices of coal have been revised w.e.f. 9-1-1986. On account of this revision the average .pit-head price of coal produced by CIL has become Rs. 210.00 per tonne from Rs. 183.00 per tonne (merease 14.75 per cent) and that of coal produced by Singareni Collieries Company Ltd. has become Rs. 219.00 per tonne from Rs. 192.00 per tonne (increase 14.06 per cent). The price of soft ceke fol domestic consumption has been kept at Rs. 175.00 per tonne which has been prevailing since 27-5-1982. The price of soft coke for industrial use has, however, been fixed at Es. 300/- per tonne w.e.f. 9-3-JJ3«8.